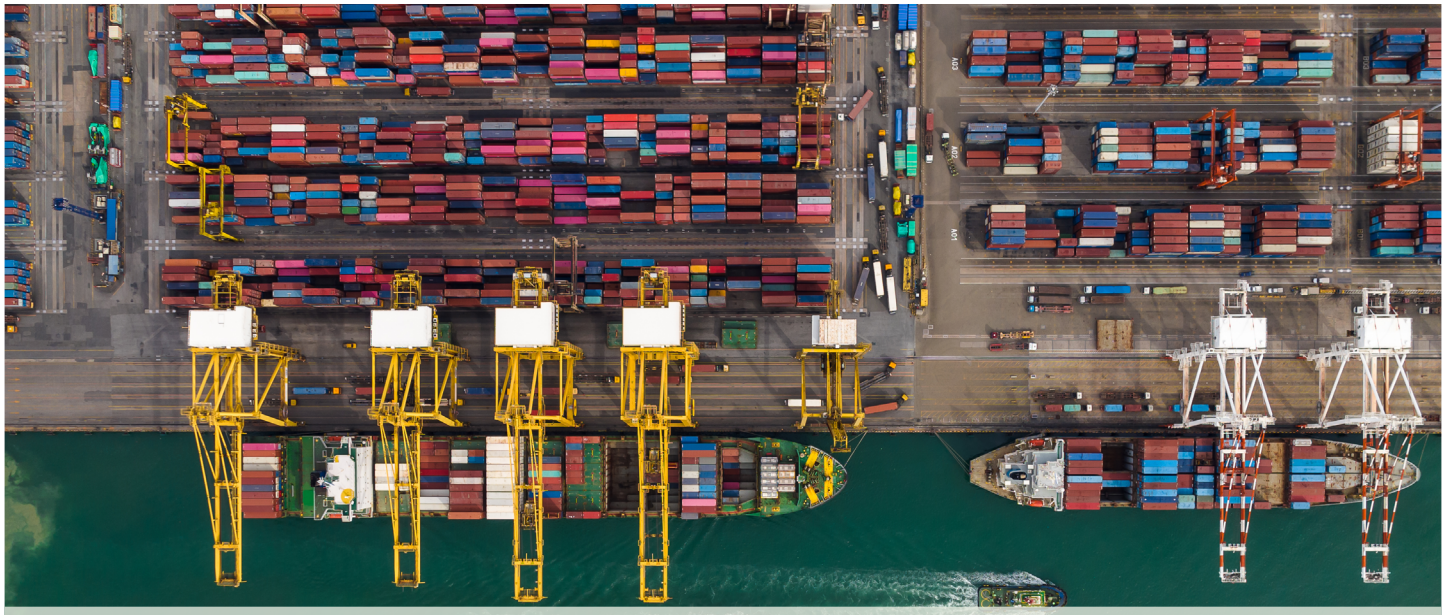
Norwegian Institute of International Affairs

POLICY BRIEF – 30 / 2025



"BRIexit": Unravelling Withdrawals from the Belt and Road Initiative

Lunting Wu

Summary

- **Motives for Withdrawals:** Countries depart from the BRI mainly because the costs of participation are perceived to outweigh the benefits, and / or due to overall deteriorating relations with Beijing.
- **Diplomatic Management:** BRIexit countries have largely avoided rupturing ties with China and have rather opted for quiet withdrawals or continued pragmatic economic engagement.
- **Normative Ambiguity:** Most departures do not explicitly reject the BRI's normative foundations, except for Lithuania, which framed its retreat as a stance against authoritarianism.
- **Limited Impact (so far):** Up until now, BRIexits have not produced meaningful impact on the BRI's legitimacy. One clear example was Colombia's participation in the initiative even after its neighbor Panama's BRIexit. A reduction of the BRI membership does not necessarily weaken China's broader economic influence, as pragmatic cooperation continues in various forms. Nevertheless, threats and coercion under Trump 2.0 potentially shrink countries' room for maneuver and pressures them to align more closely with the White House.

Twelve years into the launch of China's Belt and Road Initiative (BRI), over 140 countries have joined, but a few have left. These withdrawals, or BRIexit, though limited in number, raise crucial questions about the prospect of Beijing's flagship initiative and the shifting geopolitical landscape in which it operates. What explains the withdrawals? More importantly, has there been any impact on the legitimacy of the BRI? Whilst some BRIexits stem from economic calculations, others reflect changing state preferences or mounting external pressures—trends that could reshape the BRI's future, especially under a more aggressive second Trump administration.

In or out of the BRI?

Twelve years after the launch of the BRI, several countries have withdrawn. Notable BRIexits include Panama, Italy, Estonia, Latvia, and Lithuania, with the Philippines and Romania status remaining unclear. As transnational infrastructural competition intensifies, discerning both the reasons behind these decisions and their implications for the BRI's prospect becomes increasingly important.

To understand BRIexit, it is essential to clarify

what participation in the BRI entails. The key and unambiguous mechanism for joining the BRI is the signing of a Memorandum of Understanding (MoU), which formalizes a country's accession. These MoUs typically remain valid for three to five years and are, in most cases, automatically renewed unless one party provides notice to terminate or not extend the agreement. For most countries, signing the MoU is a low-cost gesture, because a) it is a non-binding arrangement that carries no contractual obligations, and b) it does not require legislative ratification and rather falls within the purview of the executive. The MoU itself generally outlines vague aspirations for cooperation and broad areas of development, without specifying concrete projects or commitments. Whether tangible benefits ultimately materialize depends on subsequent cooperation and the implementation of follow-up initiatives.

While some countries, such as Colombia (before its participation in May 2025), engaged in BRI-related projects without having signed an MoU, they are not officially considered BRI participants, as their accession has never been formalized. By the same token, withdrawals from the BRI typically involve either the active termination or the non-renewal of the MoU.

If signing the MoU is relatively low-cost, why then do countries decide to join the BRI first only to leave it? By looking at the five most prominent cases mentioned above, departures from the BRI can be attributed primarily to two factors: a) the costs of participation are perceived to outweigh the benefits, whether due to international pressure or the absence of substantial material gains, which contribute to shifting state preferences and priorities, and b) deteriorating relations with Beijing—which may spill over into broader regional or bilateral dynamics. To be sure, these factors are not mutually exclusive and may coexist to varying degrees in shaping decisions to withdraw.

External pressure raises costs of participation

The influence of external actors—primarily the United States—has played a decisive role in shaping some countries' decisions to reconsider or revoke their BRI participation. Since its inception, the BRI has been framed by its critics as a geopolitical and geoeconomic tool designed to expand China's strategic influence. In response, Washington has sought to first counterbalance the BRI through initiatives like the Partnership for Global Infrastructure and Investment (PGII) and, more recently, through more coercive diplomatic pressure. This dynamic complicates countries' cost–benefit calculations, as they increasingly find themselves compelled to choose between competing major-power alignments.

As the first Latin American nation to join the initiative, Panama has become the first in the region to exit. This decision was made shortly after US Secretary of State Marco Rubio's visit to Panama, where he sought to pressure the government to curb alleged Chinese influence over the Panama Canal—a claim widely promoted by President Trump but denied by Panamanian President José Raúl Mulino. Before taking office, Trump had not excluded the possibility of using force to regain control of the Canal from external interference. During his first foreign visit as Secretary of State, Rubio warned that Washington would "take necessary measures" if Panama did not immediately reduce its reliance on China. Under the US pressure, President Mulino announced a review of agreements involving China and Chinese businesses, followed swiftly by his decision not to renew the BRI's MoU. That this move was immediately hailed as a "great step forward" by Secretary Rubio suggests that staying within Beijing's scheme would not only cost Panama's close partnership with Washington but also elicit retaliations from the White House.

Economic considerations in withdrawals

Apart from external pressure, economic calculations also seem to have mattered for some to decide whether to exit the BRI. The case of Italy demonstrates how unmet economic expectations, together with the changing state preferences under the populist radical right administration, can push governments to reconsider their participation.

Italy was the only G7 country to have joined and pulled out from the BRI. On the one hand, for Rome, promised economic benefits failed to materialize. Trade deficits with Beijing continued to widen between 2019 and 2022, and Rome's original plan to close this gap by participating in the BRI turned out to be a wishful thinking. Inbound FDIs from China also dropped from 2019 to 2020. On the other, Giorgia Meloni's electoral victory was largely premised on a nativist ideology of "us" versus "them" during the

campaign, constructing Beijing as one of the external threats from which the nation needs to defend itself. Rising negative public attitudes towards China, coupled with the COVID pandemic, further fed into the far-right's rhetoric against a perceived economic and security threat. Hence, both cost-benefit calculation and the shifting state preferences of the Italian government drove it to exit the BRI.

Nevertheless, this has not led to a rupture of Sino-Italian bilateral relations. Conversely, Italy's withdrawal was subdued, which avoided antagonizing Beijing. After its retreat, high-ranking Italian politicians went to Beijing successively in 2024—first by Meloni herself and then by President Sergio Mattarella, both of whom sought to reset the bilateral ties. The two countries even signed an action plan to guide cooperation between 2024 and 2027. Consequently, Rome's withdrawal from the BRI should be considered as merely a "quiet" fulfilment of Meloni's electoral promise, rather than an act of disrupting the entire bilateral partnership with China.

Deteriorating relations with Beijing

In some cases, deteriorating relations with Beijing have led to BRIexit. The Baltic states' move began initially with Lithuania's departure from the former "17+1" Initiative—a key BRI platform connecting China with the Central and Eastern European countries—following the diplomatic row over Taiwan and the consequent sanctions from Beijing. While the Lithuanian Ambassador to China Diana Mickeviciene attributed this decision to less-than-expected trade deficits, Foreign Minister Gabrielius Landsbergis called it a "divisive" platform for the EU. Overall, retreating from the 17+1 and subsequently not renewing the BRI's MoU were a symbolic gesture to retaliate against Beijing.

Estonia and Latvia followed suit in a show of solidarity with their Baltic neighbor. Their distaste for the BRI was complicated by China's non-condemning stance on Russia's aggression against Ukraine and, more importantly, by Beijing's economic coercion toward Vilnius. This said, Tallinn and Riga two were cautious enough in their wording to not antagonize Beijing, as both signaled the willingness to continue a constructive relationship. The day when Riga announced its halt of participation, the country's State Secretary for Transport Ilonda Stepanova reassured the Chinese Ambassador to Latvia about the interests of Latvian logistics companies in cooperating with China and in connecting Europe with Asia.

Implications for the BRI's prospect

Major powers are engaged in intense transnational infrastructural competition. Initiatives like the BRI, the EU's Global Gateway, the US PGII, and the Japanese Partnership for Quality Infrastructure are not only shaped by geopolitical imperatives but also embody distinct normative agendas, reflected in their different financing practices, technical standards, political values, and development models. External endorsement of these initiatives, albeit symbolic to a large degree, lends support to their legitimacy, which is crucial amid the transnational infrastructural rivalry.

Whether withdrawals from the BRI amount to weaken its legitimacy depends on whether departing countries also explicitly reject the initiative's normative foundations on the one hand and cancel concrete collaborative projects on the other, and how China is defending the initiative in turn. Among the "BRIexiters", only Lithuania has outrightly criticized the norms and values behind the BRI. The rest did not to jeopardize their relationship with Beijing overall, by either justifying the decision from a functional perspective or by reassuring continued pragmatic engagement with China in the future. The fact that Colombia joined the BRI in May 2025 right after its neighbor Panama announced withdrawal, problematizes the assumption that the BRI is losing momentum. Also, just as some countries could maintain robust relations with China without joining the BRI, withdrawing from this initiative may do little to alter the status quo if it comes without accompanying substantive policy shifts. Even Vilnius, under the new premiership of Inga Ruginiene, is considering a diplomatic reset with China. Importantly, BRIexit does not rule out the possibility of re-joining the BRI in the future. Therefore, the implications of BRIexits for Europe may be largely symbolic, and greater attention should be given to actions taken beyond these conspicuous withdrawals.

What is distinct under Trump 2.0, nevertheless, is that its coercive diplomacy may have shrunk countries' room for maneuver—as in the case of Panama—and compelled them to comply more

closely with demands from the White House. Latest developments suggest that, pressed by Washington, the Chilean government began reviewing a planned Chinese space observatory project in the Atacama Desert, for the fear of potential military applications. It is premature to predict whether this will escalate into a potential Chilean BRIexit; after all, unlike Panama, Chile has long been one of China's closest partners in the region. Still, the presence of external pressures raises valid questions about the extent to which these withdrawals stem from genuine discontent with the BRI or are rather being coerced into such retreat. If departures are primarily driven by external pressure, rather than disillusionment with the initiative itself, then the BRI's legitimacy is not necessarily in decline but is instead being contested within an increasingly zero-sum global order.

On the other hand, since its outset, the BRI has been a vague initiative that is able to acquire new meanings as it rolls out. For instance, in response to criticism over debt sustainability and environmental impact, Beijing has increasingly emphasized fiscal prudence, green finance, and high-quality development in its recent framing of the BRI. These shifts indicate that China is not passively accepting contestation but actively adapting its approach to maintain legitimacy and relevance, even as some countries disengage. Meanwhile, Washington's intimidation has met with Beijing's countervailing measures. Recent developments show that China pushes for at least 20% of stakes for its state-owned shipping conglomerate, Cosco, in the Panama ports sale deal.

Further research should establish which countries' MoUs have not been renewed, as some (unclear) BRIexits may have been carried out in a discreet manner (e.g. Romania and the Philippines), thus avoiding media scrutiny or provoking hostility from Beijing. Therefore, the real number of withdrawals may be higher than what is listed in the database from Fudan University, which only considers Panama and Italy as BRIexiters. Future studies also should delve into how Beijing has reacted to these withdrawals, to what extent they shape bilateral relations with China, and how it influences the long-term trajectory of this initiative.

Further reading

Atkins, Eleanor, M. Taylor Fravel, Raymond Wang, Nick Ackert, and Sihao Huang. 2023. "Two Paths: Why States Join or Avoid China's Belt and Road Initiative." *Global Studies Quarterly* 3(3):ksad049.

Börzel, T. A., Langbein, J., Wu, L., & Krüsmann, V. (2025). Collision, Competition or Cooperation? China's BRI and the EU's Development Policies Towards Eastern Europe. *Global Policy*, 1–10.

Wu, Lunting. 2024. *Belt and Road Initiative in South America: Explaining the Varying Responses*. Singapore: Palgrave Macmillan.

Lunting Wu
Dr Lunting Wu is a Senior Researcher in NUPI's Research Group "Eastern Europe and Asia".

Funding
The funding for this policy brief was provided by the Norwegian Research Council under the project 'ROADS to Power', project no. 303212.

Photo credit: DINphotogallery, Istock, 1529607399

Norwegian Institute of International Affairs

Established in 1959, the Norwegian Institute of International Affairs [NUPI] is a leading independent research institute on international politics and areas of relevance to Norwegian foreign policy. Formally under the Ministry of Education and Research, NUPI nevertheless operates as an independent, non-political instance in all its professional activities. Research undertaken at NUPI ranges from shortterm applied research to more long-term basic research.

NUPI
Rosenkrantz' gt. 22
0160 Oslo, Norway
post@nupi.no | nupi.no